VZCZCXRO1425 OO RUEHBI RUEHCI RUEHLH RUEHPW DE RUEHNE #4253/01 1671211 ZNY CCCCC ZZH O 161211Z JUN 06 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 5410 INFO RUEHBJ/AMEMBASSY BEIJING 2550 RUEHLM/AMEMBASSY COLOMBO 5865 RUEHKA/AMEMBASSY DHAKA 5875 RUEHIL/AMEMBASSY ISLAMABAD 8876 RUEHKT/AMEMBASSY KATHMANDU 6552 RUEHMO/AMEMBASSY MOSCOW 8877 RUEHKO/AMEMBASSY TOKYO 3470 RUEHCI/AMCONSUL CALCUTTA 4724 RUEHCG/AMCONSUL CHENNAI 4683 RUEHKP/AMCONSUL KARACHI 4364 RUEHLH/AMCONSUL LAHORE 2742 RUEHBI/AMCONSUL MUMBAI 3924 RUEHPW/AMCONSUL PESHAWAR 3393 RUCPDOC/DEPT OF COMMERCE WASHDC RUCPDOC/USDOC WASHDC RHEBAAA/DEPT OF ENERGY WASHINGTON DC RHEHNSC/NSC WASHDC RHEBAAA/USDOE WASHDC RUEIDN/DNI WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHDC RHHMUNA/CDR USPACOM HONOLULU HI RUCNDT/USMISSION USUN NEW YORK 1227 RHMFISS/HQ USCENTCOM MACDILL AFB FL RUEHGV/USMISSION GENEVA 3521 RHHMUNA/HQ USPACOM HONOLULU HI RHMFISS/HQ USSOCOM MACDILL AFB FL RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 004253

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E.O. 12958: DECL: 05/19/2016

TAGS: PGOV PINR ECON EINV SCUL PREL ENRG EPET IN
SUBJECT: LEFT PARTIES ISSUE UNFAVORABLE REPORT CARD TO UPA
PARTNERS

REF: A. NEW DELHI 4200

¶B. NEW DELHI 4202

Classified By: Ambassador David C. Mulford for reasons 1.4 (B,D)

(C) Summary: Further demonstrating the divisions in the United Progressive Alliance (UPA), (Reftels), Left parties made public a predictably unconstructive, damning, and backwards-looking "report card" of UPA performance on June 115. A group of left leaders, including Communist Party of India-Marxist (CPI-M) General Secretary Prakash Karat and Communist Party of India (CPI) General Secretary A.B. Bardhan issued the evaluation following a UPA-Left coordination panel meeting with Prime Minister Singh and Sonia Gandhi that had been initially designed to create the appearance of unity in the coalition. The Left attacked the UPA for foreign policy decisions, including warm relations with the U.S., the U.S.-India nuclear agreement, India's recent voting record at the IAEA on Iran, as well as domestic issues including fuel price rises and support for FDI in the retail sector. public airing of the report card is designed to remind UPA leadership that the Left will continue to skewer its ostensible coalition partners to make political hay and grind the machinery of progressive decision-making to a halt as best it can so it can then run against the Congress in the next general election. End Summary.

UPA Report Card Unsatisfactory

12. (SBU) Leaders of the two largest Leftist political

parties issued an unsatisfactory "report card" to Prime Minister Manmohan Singh and UPA Chairperson Sonia Gandhi on June 15, specifically criticizing the UPA government's performance on foreign policy and economic issues. The press reported that the left accused the government of "failing in its commitments to pursue an independent foreign policy with regard to the Indo-U.S. relations the voting on Iran and on the issue of Palestine." In the evaluation, the Left claimed, "India has lost its voice as a champion of disarmament and the government's foreign policy faces serious distortion because of the obsessive drive to harmonize positions with the U.S.'s global strategies."

Left Objects to Economic Reforms

13. (SBU) The Left also heavily criticized the UPA economic reform agenda, asserting that it must not move forward with plans to allow FDI in the retail, trade, insurance, banking, and print media sectors. It also criticized the Planning Commission for pressing privatization in opposition to the "priorities set by the common minimum program in the Eleventh Plan." Mirroring comments in Ref A, the Left denounced the recent fuel price increases and demanded the government spend more on agriculture development.

Comment: News Flash: You Lost the Cold War

14. (C) The way the UPA leadership sat with the schoolmarms of the Left to receive their "report card" -- much like errant school boys -- shows how much Congress needs the

NEW DELHI 00004253 002 OF 002

Left's support in Parliament even though the left stymies their every move. Meanwhile, the left gets to enjoy being in power without exercising any responsibility, and can gleefully torture Congress without withdrawing support that would permit the hated and feared BJP to return to power. The Left very much considers retrogressive communist "Father Knows Best" economics to be the best way to ensure prosperity, contrary to all empirical data. The Left will continue to try to frustrate efforts by the UPA to implement economic reforms and views India's improving relationship with the U.S. as a threat. The UPA, needing the Left's support in Parliament, must consider the political ramifications of pressing forward with needed reforms. The public airing of the report card show that the Left sees weaknesses in the Congress Party and is trying to assert its authority. Punctuating the Left's impatience, the CPI General Secretary concluded that, "We have delivered them the note and now it is time for the government to respond. They must realize that our concerns cannot be ignored for long. For Sonia and the PM, they must grin and bear it.

15. (U) Visit New Delhi's Classified Website:
(http://www.state.sgov.gov/p/sa/newdelhi/)
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